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BIG WELCOME FOR PRINCESS AND DUKE

Airport Greeting

Montreal, Oct. 8.

Canadians roared a welcome to Princess Elizabeth and the Duke of Edinburgh on Monday upon arrival for their first visit to the North American continent. They will make a 31-day tour including a stop in Washington, DC, and dinner with President Truman.

An American-built strato-cruiser — the 60-ton "Canopus" — brought the Princess and her husband to Montreal after a "first rate trans-Atlantic flight of 17 hours and 11 minutes. They alighted 19 minutes ahead of schedule.

The eager crowd considerably short of the 100,000 which had been expected sent up a great shout as the Princess, wearing a pink jacket and a blue-grey wool dress with a small matching velvet hat, stepped through the plane's doorway. The Duke was in his naval uniform.

The first glimpse the crowd had of the 25-year-old heiress presumptive and her atractive husband was a port-hole view. Both had their faces glued to the windows as the plane rolled to a halt.

As the Princess emerged from the plane's doorway, the Governor-General stepped forward to offer his hand.

The first shot of a 21-gun salute jarred the chill air. The band played "God Save the King." It was a dramatic moment in the brief welcoming programme.

Smiling graciously, the Princess after being greeted by the Governor-General and the Prime Minister, inspected a guard of honour of the Royal Canadian Air Force.

She and her husband then entered an open car for a drive around the airport on route to the siding where a train waited to take the Royal party to Quebec where the tour will get under way officially on Tuesday.

The crowd sent up cheer after cheer as Princess Elizabeth and Prince Philip smiled and waved at them from their open car.

Before she had entered the car, Princess Elizabeth shook hands with each of the crew

members of the plane and chatted with each one briefly. The Duke did likewise.

The Princess wore very little makeup. She showed no signs of the strain the Royal family has undergone as a result of King George's serious lung operation two weeks ago. — Associated Press.

PHONES PALACE

Montreal, Oct. 8. Princess Elizabeth, telephoned home today to report her safe arrival.

Less than an hour after landing here to begin a month-long North American tour she called her mother, Queen Elizabeth in London, to report and to inquire about the condition of her ailing father, King George. — Associated Press.

Attlee Heckled

Witham, Essex, Oct. 8. The Prime Minister, Mr. Clement Attlee, was heckled on the high cost of living and Persia when he opened an election speech by denying Conservative claims that Britain had lost prestige.

Challenges from the audience grew to an uproar when a woman shouted, "We are paying three or four times as much for loaves of articles."

Mr. Attlee retorted through the din, "I know you are. If you were in Australia you would be paying six or eight times as much, and in France 20 times as much." — Reuter.

Home From Abadan



As the tension deepened last week in Persia, 16 more men of the Anglo-Iranian Oil Company returned to England from Abadan. Here is one of them passing through London Airport after the arrival of the group by plane. — London Express.

Ailing Dr Mossadegh Reaches New York

United Nations, N.Y., Oct. 8.

Dr Mohammed Mossadegh, Iran's aged and ailing premier, arrived today with a plea for American support in Iran's oil dispute with Britain.

The chartered Royal Dutch Airlines DC-6 carrying the Prime Minister touched down

at New York's International Airport at 4:24 p.m. GMT, ending a 33-hour flight from Teheran. United States public health officers were the first to see the 76-year-old premier, who has fainted several times in public during the months of the oil crisis tension.

Cleared by the Customs aboard the ship, Dr Mossadegh appeared shaky as he came out and posed for a picture at the top of the gangway. Bundled in a long black overcoat, he held a brown Homburg in one hand while Mr. Naorollah Entezam, Iranian President of the UN General Assembly, supported his other arm as he waved. On the observation platform some 150 Iranians waved American and Iranian flags as he stepped on the airport runway. He was immediately led to an enclosure, where he read a three-minute statement in Iranian in a low, hoarse voice.

After praising American history and the American people, he said, "We are assured you will oppose any steps taken to increase the suffering and miseries of small nations. The sole reason for the lack of development, the deprivation and misfortunes of Iran during the last 50 years is the fact that a cruel and imperialistic company... has been trying to derive large annual profits of hundreds of millions of dollars."

PEOPLE ROBBED

"The natural resources of the needy and naked people have been robbed more and more every year on a progressive scale through all sorts of intrigues and setting-up of puppet governments. The only difference we have with the former Anglo-Iranian Oil Company crystallized itself around this one point. It is for the sake of the said company that the British government has taken the role of guardian and referred this case to the Security Council. It is unbelievable to me that a group of shareholders of the former company should have been able to take advantage of an existing international organization for the exploitation of poor people of the national wealth of a nation and to undertake some kind of all-out attack on the people of Iran."

EGYPT ABROGATES 1936 TREATY

Talks With Britain Broken Off

PREMIER'S STATEMENT

Cairo, Oct. 8.

The Egyptian Prime Minister, Nahas Pasha, tonight formally announced that the Egyptian Government had broken off negotiations with Britain, declaring the time had now come to denounce the 1936 treaty and the 1899 Sudan condominium agreement.

He placed before Parliament a decree denouncing the treaty and entailing an end to the privileges enjoyed by British troops in the Suez Canal.

Nahas Pasha's decree declared that King Farouk was King of Egypt and the Sudan.

A spokesman of the British Embassy said here tonight: "Egypt's unilateral abrogation of the Anglo-Egyptian Treaty has no legal force."

He added that the position of British forces stationed in the Suez Canal zone "remains unchanged."

In his statement, made to a crowded Chamber, Nahas Pasha said:

"It is time our Government should fulfil the promise given in the last Throne speech by taking the necessary steps to abrogate the treaty and the Sudan condominium agreement of 1899."

Nahas Pasha had previously acquainted his own Wafdist Parliamentary group with the contents of his momentous address.

His speech in Parliament was frequently interrupted by applause.

It was one of his rare appearances before Parliament.

Nahas Pasha began by giving a history of Anglo-Egyptian relations.

He said that the 1936 Anglo-Egyptian treaty was signed under the menace then surrounding Egypt from the Axis powers. He said that the defeat of the Axis and the establishment of the United Nations put an end to all menace.

The decree he submitted provides for a law governing the constitutional status of the Sudan upon the end of the condominium.

A constitutional assembly will be elected by the Sudanese themselves to draft a constitution on the following basis:

"Democratic rule in the Sudan; a unicameral or bicameral legislature in the Sudan elected by the people; a Cabinet formed by the Sudanese; Parliament to share with the King in making laws, budget, taxes, etc.; foreign affairs and defence in the hands of the King."

CAUSES SENSATION

A nationwide sensation has been caused by the announcement made tonight that Egypt had broken off negotiations with Britain in relation to the 1936 treaty with Britain and the 1899 Sudan condominium agreement.

Political quarters here said tonight that Egypt was planning to stop rights and facilities extended to British forces stationed on her territory when the treaty abrogation comes into force with new legislation in the next Parliamentary session.

Egypt would also consider herself free from the provisions of Article 5 of the treaty stipulating that she has no right in her relations with foreign states to take up a stand contrary to the spirit of the treaty.

Further, in case of war or the threat of war, Egypt would not give British facilities, including the use of ports, airports and means of communications throughout her territory.

The talks held between the Ambassadors of Britain, France, Turkey and the United States lasted for more than two hours here tonight. One of their main problems was to find a way of offering Egypt equal partnership in a Middle Eastern defence organization.

The United States was taking the keen interest in the matter because of its bearing on the whole picture of Middle East defence.

All Leave Cancelled

Fayid, Suez Canal Zone, Oct. 8.

All leave for British troops in the Suez Canal Zone towns of Port Said, Chania and Suez was cancelled tonight and troops ordered back to their camps.

A spokesman at General Headquarters here, announced that the British troops in the Canal Zone were self-supporting and not in any way affected by the Egyptian Government's move to abrogate the Anglo-Egyptian treaty. — Reuter.

memorandum being drafted at the British Embassy would be delivered on behalf of the British Ambassador alone, or together with those of France and the United States—and maybe Turkey.

In any case, it was taken to represent the Anglo-American-French attitude towards the Middle East as a whole within global Western strategic plans. — Reuter.

NO LEGAL FORCE

Alexandria, Oct. 8.

Unilateral abrogation by Egypt of the 1936 treaty with Great Britain had no legal force since the "treaty contains no provision for denunciation at any time," stated an official statement issued by the British Embassy here tonight.

The statement added that articles 8 and 16 of the treaty provide that it is to last for 20 years, following which a revision may be negotiated at the wish of either party.

"Under these articles, if the parties fail to reach an agreement their differences are to be referred to arbitration."

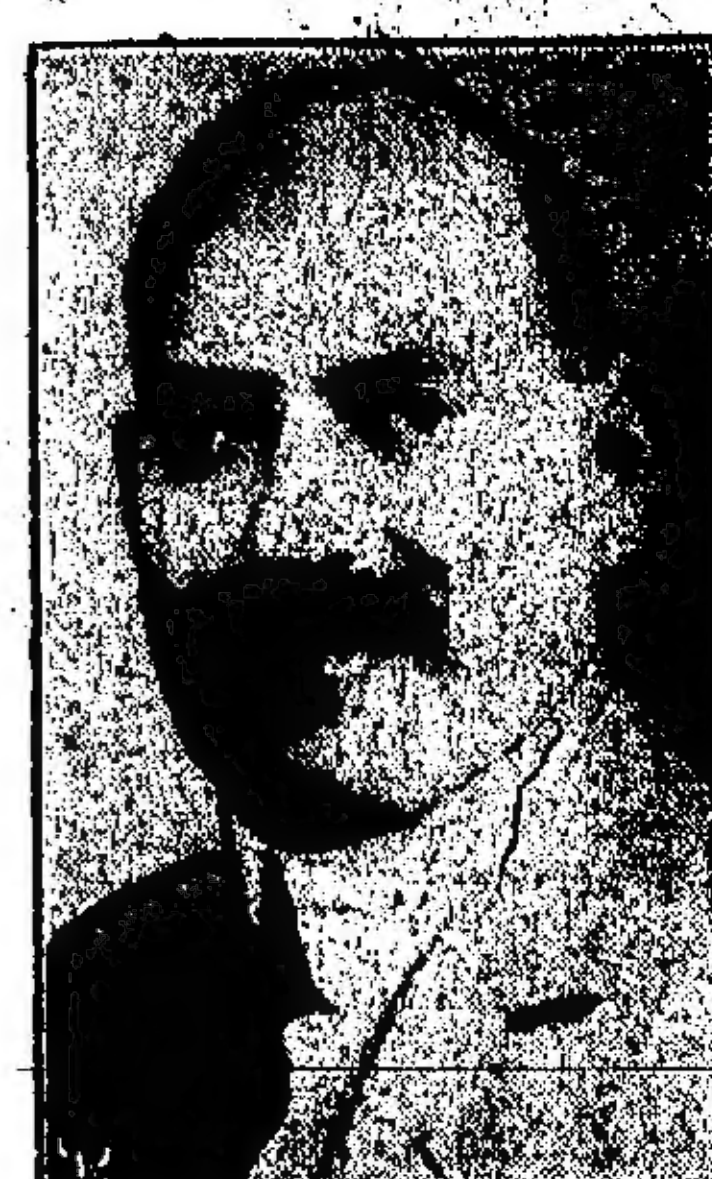
"The treaty may, however, be revised by agreement at any time after 10 years from the date of its signature and His Majesty's Government have, for their part, frequently demonstrated their willingness to enter negotiations and go to great lengths to meet the Egyptian viewpoint."

"The insistence, however, of the Egyptian Government on unconditional acceptance of their original demands has made it impossible thus far to find a basis for negotiations."

His Majesty's Government regard the 1936 treaty as remaining in force and intend to stand on their rights under that treaty."

In another statement on Nahas Pasha's claim that he had received no new proposals from the British side, he promised, the British Embassy spokesman said, "His Majesty's Ambassador had promised the Minister for Foreign Affairs, Salah el Din Pasha, that he would let him know immediately he could give a date when His Majesty's Government's new proposals would be communicated to the Egyptian Government."

Alexandria, Oct. 8. — Reuter.



NAHAS PASHA

Tories Gain In French Election

Paris, Oct. 8.

The first ballot in France's departmental elections yesterday showed a marked success for Conservative candidates and a marked setback for Socialists.

The poll continued the Socialist loss in popularity displayed in the general elections in June.

Final official figures, published this morning for 814 metropolitan seats, show that the Conservatives got nearly a third of their candidates elected in the first ballot—308 out of 961.

The Gaullists, although gaining 10 seats, got less than a tenth of their candidates elected—10 out of the first round of 607.

This constitutes a relative loss in prestige for the Gaullists in favour of Conservatives and Radicals, who also had a third of their candidates elected—223 out of 670.

This fact may have importance for the final ballot next Sunday, since it may induce many candidates to come out as Moderates rather than Gaullists.

PREMIER'S CLAIM

Next Sunday's ballot for the 700 seats not yet filled in metropolitan France will be decided by a simple majority vote.

Premier, Fieven claimed the result as a sign of stability in French politics and a defeat for demagogic extremists.

He said it argued in favour of a regrouping of the Government parties—a call to the Socialists to abandon their present neutrality in Parliament and rejoin the Centre coalition.

Of the 10,877,788 people entitled to vote, 40.3 per cent abstained. — Reuter.

NOTE DELIVERED

Pam Mun Jom, Korea, Oct. 8.

General Matthew B. Ridgway's messages agreeing to move the truce conference to this village was delivered today to the Communists at 9 a.m. by Col. James Murray of the UN liaison staff. — United Press.

Warship Strikes A Mine

Washington, Oct. 8.

Nine Navy men were killed and 18 injured on Sunday when the US destroyer, Ernest G. Small, was damaged by a probable Red mine in the Korean area, it was announced tonight. The destroyer was able to proceed to Sasebo, Japan, under her own power. — United Press.

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COMMENT OF THE DAY

Egypt Fulfils A Threat

EGYPT'S unilateral abrogation of the 1936 treaty with Britain and the 1899 Sudan condominium agreement lacks the element of surprise, but its timing is not without significance. Nahas Pasha's announcement to the Egyptian Parliament coincided with the disclosure that the United States, Britain and France intended to present a demarche this week requesting Egyptian partnership in Middle East defence, one feature of which would be the internationalising of the Suez Canal defences. Abrogation of the Anglo-Egyptian treaty to some extent cuts across this joint proposal inasmuch as it requires the removal of all British forces from the Sudan and the Canal zone. If the presence of British troops is intolerable to the Egyptians it becomes highly questionable whether they would consent to a multilateral defence scheme involving the presence in the Suez of foreign military, naval and air forces in much greater numbers. It is slightly ironical that Nahas Pasha should be the man to announce abrogation of the 1936 treaty, for it was he who acted as Egypt's main signatory and was sufficiently pleased with it at the time to issue a special postage stamp, unprecedentedly bearing the image of an infidel—Mr. Eden—in order to mark the goodwill of the occasion! As in Persia, the British in Egypt are in possession of undoubted contractual rights which the Egyptians have now abrogated. But in Egypt, as in Persia, the local politicians have ignored the benefits which the country derives from the terms of the agreement. Moreover, they require the excitement of a rousing nationalist cause to distract attention from the unhappy state of the country. The Economist in a recent survey of Anglo-Egyptian relations, complained that the United States had failed to give any

sign of appreciating the dangers consequent upon the Egyptian action to weaken the defences of the Suez Canal. Anglo-American agreement, it contended, is the key to the situation in Egypt, as it is in Persia and all over the Middle East. When the Persian affair had reached its extreme critical point, and not before, a sufficient degree of co-operation at a high enough level was secured. Washington found that it was not, after all, disinterested and could not afford to be neutral. It is not suggested that Anglo-American agreement means simple American backing for British policies any more than it means automatic British acceptance of any American proposal. It does not require a formal alliance or the creation of an open Anglo-American front. What is required is mutual understanding and mutual trust. If it is still necessary to convince Washington that Britain does not intend to stir up trouble in the Middle East simply by trusted selfishness, it is just as essential that Americans convince the British that they will not throw away irreplaceable assets of the free world simply through unwillingness to stand up to the local politicians. This is the significant challenge contained in Egypt's abrogation of a treaty under which Britain holds recognisable contractual rights. That the United States has become associated with a move that seeks to stabilise the defences of the Middle East is a welcome sign that Washington is prepared to throw her weight in with Britain to prevent deterioration of the situation in the Suez Canal zone. The fear is the gesture may have come a little late. Unquestionably Nahas Pasha has beaten the Big Three to the draw, and after the treaty abrogation announcement the three Power defence offer to Egypt is something of an anticlimax.

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COALITION OUT OF QUESTION

Churchill Election Broadcast But Tory Leader Hints At Liberal Participation

ARABS PUT DEMANDS TO ISRAEL

Tel-Aviv, Oct. 8. Five Arab deputies whose votes are important to the new Israeli Government today outlined twelve demands for better treatment of the country's Arab minority.

The demands were presented during a 12-hour debate in which Dr. David Ben-Gurion, new Coalition Cabinet, was asking for vote of confidence.

Self-Eidan Zeoubi of Nazareth, the Arab deputies' spokesman, demanded from the new Cabinet:

- 1 - The abolition of military rule wherever security considerations permit.
- 2 - The return of relatives of Arab residents.
- 3 - The restitution of land and property of Arabs living in Israel.
- 4 - Equitable representation of Arabs in the administration.
- 5 - The abolition of monopolies of Jewish marketing companies for Arab produce.
- 6 - Equal prices for Arab produce and mechanisation of Arab agriculture.
- 7 - The handing over of Moslem religious property from the Ministry of Religion to Moslem hands.
- 8 - The use of Arabic for official correspondence with Arabs.
- 9 - An extension of the Arab high school network.
- 10 - The amendment of the law on ownership of land.
- 11 - The discontinuance of expulsion of Arab refugees. The entire problem of Arab refugees to be left to the future.
- 12 - An attitude of respect towards the Arab minority.

Reuter.

Seeking A Lost Town

London, Oct. 8. A small party of archaeologists are searching at Eshire (Herts) for the Roman town of Sulloniace, said by authorities to have existed near Brockley Hill.

The archaeologists—members of the London and Middlesex Archaeological Society and of historical societies in Middlesex and Hertfordshire—are trying to determine the site and limits of the ancient town.

A Roman kiln found recently and cobbled floors unearthed last year are thought to indicate "most certainly" that a Roman site exists in the area.—London Express Service.

London, Oct. 8. Mr. Winston Churchill, the Conservative leader, in an election broadcast tonight, said that there was no prospect of a coalition government in Britain except under actual, mortal danger.

Mr. Churchill said that in Britain there were 50,000,000 people in an island which grew food for 30,000,000.

"All the rest has got to be provided for by the goods and services we can render to other countries," he said.

"There never was a community of 50,000,000 people standing at our high level of civilisation on such an insecure foundation."

Mr. Churchill said that the people of Britain would endanger their very existence "if we go on consuming our strength in bitter party or class conflicts."

"After the bitter wrangling of the last two years there is no prospect of a coalition except under actual mortal danger."

"Nevertheless, we need not magnify our differences. We have to make them more clear and not to make them more wide."

Meantime, as the election campaign got into full swing, informed sources said that Mr. Churchill would leave himself free to invite Liberals and, possibly, Independents to take part in the Government if he wins.

These sources added that this was what Mr. Churchill meant by his recent reference to a "broad-based government."

But it would be a Conservative government. The question of a coalition was ruled out in a letter to Scottish electors today. Mr. Churchill said that the election was being held because Socialism had collapsed.—Reuter.

PEACE HOPES

London, Oct. 8. The Conservative and Liberal parties, "and part of the Socialist Party," supported the policy of rearmament "not because we believe it is the very method by which a reasonable and lasting settlement might be reached," declared Mr. Winston Churchill, leader of the Conservative Party, in an election speech here today.

"I believe that if the British Empire and Commonwealth, joined together in fraternal association with the United States and the growing power of Western Europe—including a reconstituted France and Germany—worked together steadfastly, then the time will come, and may come sooner than is now expected, when a settlement may be reached which will give us peace for a long time. That is what our hearts desire," Mr. Churchill added.

He said that the free democracies were re-arming "to prevent Communist Russia, its reluctant satellites, and its ardent votaries spread about in many countries—some of them even here—from beating us all down to their dead level, as they have done as much as they can to people of every country they have occupied during and since the war."

"Unless if you are armed and strong you cannot expect any mercy from the Communists," he said.

BARGAIN POSSIBLE

"But if you are armed and strong you may make a bargain with them which might rid the world of the terror in which it now lives and relieve us all from much of the impoverishment and privations into which we shall otherwise certainly sink."

Mr. Churchill continued, "I do not hold that we should re-arm in order to fight. I hold that we should re-arm in order to parley. I hope and believe that there may be a parley."

London, Oct. 8.

The gigantic rearmament of the United States, the development of the atom bomb, the growth of British and European defence and the units which have sprung into being among the free democracies, including our old enemies in the war, give a foundation, ever growing in strength and solidity, upon which a fruitful and durable peace settlement might be made.

"The Persian outrage, in disregard of the decision of the Hague Court, has weakened the cause of peace all over the world."

"I repudiate the idea that a third world war is inevitable. The main reason I remain in public life is my hope to ward it off and prevent it," Mr. Churchill stated.—Reuter.

Didn't Go According To Plan

Madrid, Oct. 8. Augusto Yatojo, a 23-year-old would-be bull-fighter, admittedly has weak eyes. "But in the ring the bull looks so big that I don't need glasses," he said.

Something was lacking yesterday when the youthful matador made his appearance in a bull ring here.

Today, rubbing his badly bruised body, Yatojo knew now a pedestrian must feel who survived being run over by a steam roller. The bull tossed him all over the arena. Two angry animals sent him spinning in mid-air summersaults. Only quick action of vigilant toreros prevented the Peruvian-Japanese novice from being gored.

He finally made the fatal thrust with his sword, but it too was off its mark. The blade failed to cut clearly through the bull's shoulder blades.

Spanish spectators suggested he change his profession.

Yatojo, born in Peru of mixed Peruvian-Japanese parentage, was among several South American and Spanish novices appearing in yesterday's show.—United Press.

TO CONVALESCENCE IN SPAIN

London, Oct. 8. Mr. William J. McKell, Governor-General of Australia, left London by air today for Barcelona, Spain, for a fortnight's convalescence.

He was accompanied by his wife, son and daughter. Mr. McKell has been suffering with post-herpetic neuralgia since his arrival in London two months ago.—Reuter.

Korea Conscription

Pusan, Oct. 8. The South Korean Government announced tonight that it will present a bill to the National Assembly proposing the call-up of all males from 17 to 30 years of age for labour and military manpower.—Reuter.



General Dwight Eisenhower, Supreme Commander of the North Atlantic Treaty forces, speaks to members of the "Redland" aggressor forces taking part in "Operation Counterthrust," biggest air-land manoeuvres held in Germany since the war. — London Express Service.

French Expect New Terrorist Outbursts In Indo-China

Saigon, Oct. 7.

Twelve thousand police and the French Union Army are on the alert for attempts to stage a new wave of terrorism in some French-held zones of Indo-China.

The Vietminh (national resistance) military leader, Generalissimo Vo Nguyen Giap, in a dramatic radio call has instructed his Communist-led forces to overhaul their guerrilla movement.

Police and Army officers believe that this appeal is a result of the recent Vietminh reverses in Tonkin and Cochinchina.

Inside the French-held Tonkin delta, French Union forces, sweeping through ricefields and villages, have this year killed or captured about 20,000 guerrillas and terrorists.

They have tightened their perimeter defences against infiltrators and are now succeeding in denying the guerrillas human and material resources from the rich delta.

In Cochinchina, recent French operations have carved up numerous Vietminh strongholds, cut off their communications and prevented them from co-ordinating their military activities.

Everywhere, the big force of police and security officers are co-operating with the French Union Army in checking village activities and restricting movements.

The French believe that the Vietminh, deprived of their ability to organise large-scale resistance in the French Zones, may now turn to intensifying indiscriminate individual acts of terrorism.

"URGENT NECESSITY"

The latest reports from Tonkin say that the guerrillas are stiffening the defence of their remaining strongholds.

Generalissimo Giap, in his radio statement, described the development of his guerrilla movement in the French-occupied zones as a "most urgent necessity."

He criticised his supporters in these regions who, he said, preferred pitched battles to guerrilla tactics.

Official French statistics on terrorist and guerrilla activities from the first quarter of 1948 to the second quarter of 1951 show that 1950 was the most successful year for the Vietminh guerrillas. They killed or wounded 6,961 people in the first half of 1950, 4,681 people were killed or wounded in Indo-China by guerrillas, compared with only 2,137 for the same period of 1951.

A more than 100 per cent decrease this year in terrorist successes is important to morale in Indo-China where, since the beginning of 1948, 20,004 people

REVEALING FIGURES

Terrorist attempts on life in 1950 totalled 3,972. For the first half of 1951, they were 1,292. The total number of terrorist attempts in three and a half years has been 12,681.

In addition since the beginning of 1948, guerrillas have made 5,082 attacks on property, 4,301 attempts to sabotage communications and 15,654 other guerrilla acts.

Peak year for attacks on property was 1948, when there were 1,804. The figure for the first half of 1951 was 567, indicating that considerable progress has been made in the protection of commercial enterprise in Indo-China.

The greatest number of attempts to sabotage communications was made in 1950, when roads were cut and convoys attacked 1,508 times. In the first half of 1951, there were only 599, 1,508 times. In the first half showing that communications were being better protected.

Other guerrilla acts reached their peak, according to the statistics in 1948 when there were 6,350. This year, up to the end of June, there had been 1,211 acts.

WORST AREA

A graph giving the monthly figures for the first half of 1951 shows that these acts increased steadily in number until May but began to fall off in June, when the French began intensive sweeping operations to root out the guerrillas.

The graph also shows that between last December and May 1951 the number of casualties suffered from terrorist attacks on life increased from four persons hurt for every three attacks to 4.5 casualties for every two attacks.

The French attribute the increase to the terrorists hurling grenades and shooting in a more indiscriminate manner.

Terrorism "is strongest" in Cochinchina, according to the statistics. In the first half of 1951, 1,206 people were killed or wounded compared with 1,008 for the same period of 1950.

It is here that the French are now taking more precautions against possible intensified Vietminh efforts. Cochinchina is the most valuable productive province for the economy of Indo-China.—Reuter.

Wives Taken To Task

Bangkok, Oct. 8. Thailand's housewives spend too much of their leisure time unwisely, a special Government committee decided here. Card-playing was their favourite pastime, the committee said.

The committee decided to ask industries to encourage housewives to devote of their leisure to part-time jobs.—Reuter.

Show Dogs Expect A Family

Alton, Oct. 8. Two Leonberger dogs, believed to be the only pair of their kind in Britain, are expected to become parents next month.

They are Lassie and Wilson, owned by Mr David Gower, of Anstey Road, Alton.

He obtained Wilson in the closing weeks of the war for 10 tablets of soap from a farmer in Austria.

Lassie, bought in Germany, came out of quarantine last January.

Both dogs attracted attention at Cruft's Show this year. Lassie, a two-year-old, weighs 96lb. Wilson weighs 154lb. He can paw the air at 8ft. 3in.

Footnote.—Leonbergers are related to hounds bred for sport and sheep-tending, by the Hapsburgs of Hungary.—London Express Service.

Archaeologists Discovery

Hamflete, Oct. 8. Archaeologists have discovered 320 urns in a burial ground here, believed to date from the first three centuries of the Christian era.

Dr Karl Kersten, Curator of the Schleswig Prehistorical Museum, who supervised the diggings, also unearthed weapons and ornaments, including 20 double-edged swords and battle-axes, shield buckles and spearheads, decorations for drinking horns and belts and horse bridles.—Reuter.



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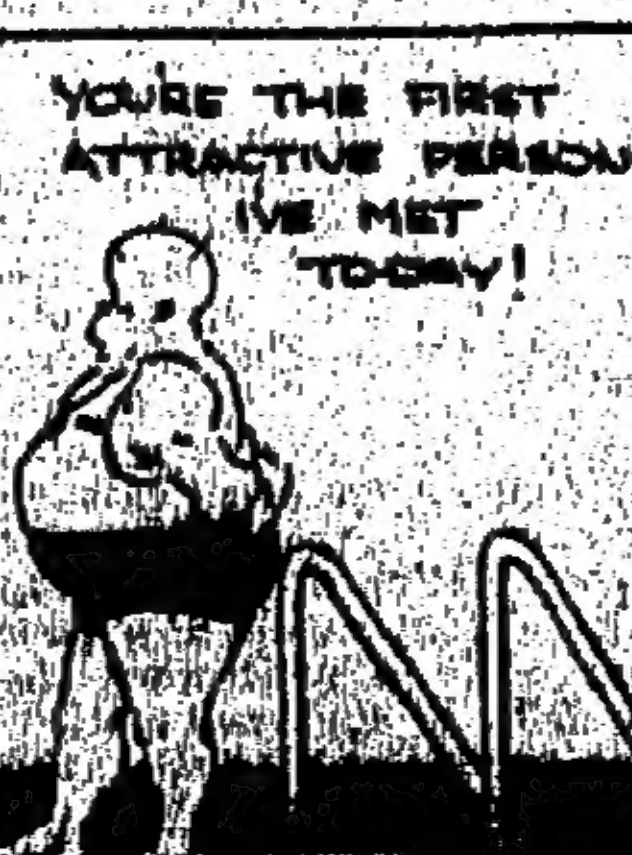
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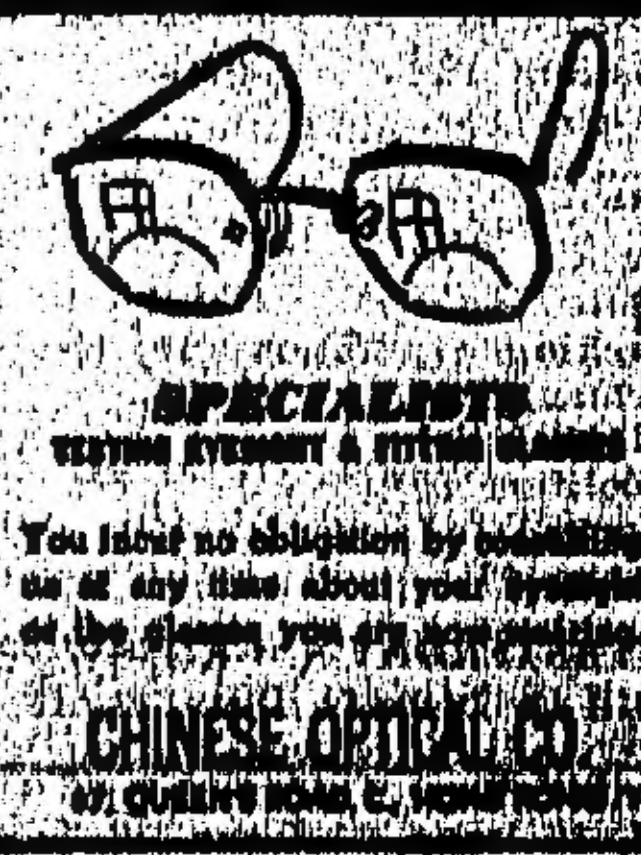
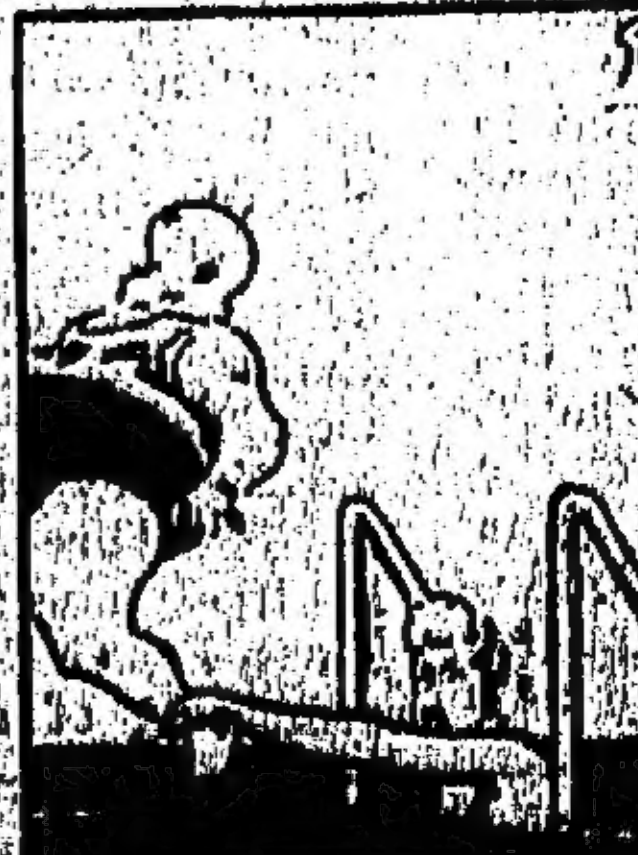
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REACTION TO STALIN STATEMENT Played Up By Red Newspaper

Moscow, Oct. 8. Pravda, the Soviet Communist Party newspaper, today devoted a full page to foreign Press reaction to Marshal Stalin's statement on Saturday that Russia had tested an atom bomb.

Most of the page consisted of comment from China and the East European countries. By Tass, the official Soviet news agency.

The most enthusiastic reaction was from China where, it was reported, the statement "roused universal joy and satisfaction."

It was a menacing warning to the American warhawks, a death blow to the plan of the aggressors and at the same time brought joy and confidence to millions of peace-lovers all over the world.

East European comment also emphasized that the statement had bolstered the morale of the "camp of the peace patriots" and said that the United States had lost a powerful means of pressure and blackmail.

From New York, London, Paris, New Delhi and Rome, Tass reported mainly the front page prominence given to the statement but did not carry Press comments from the Western capitals.

Fuller report from Oslo, Copenhagen, Stockholm and Helsinki showed the big play given in the statement in the Scandinavian Press and radio.

A Finnish newspaper was quoted as saying that the breaking of the United States atom monopoly means at the same time breakdown of atom diplomacy.

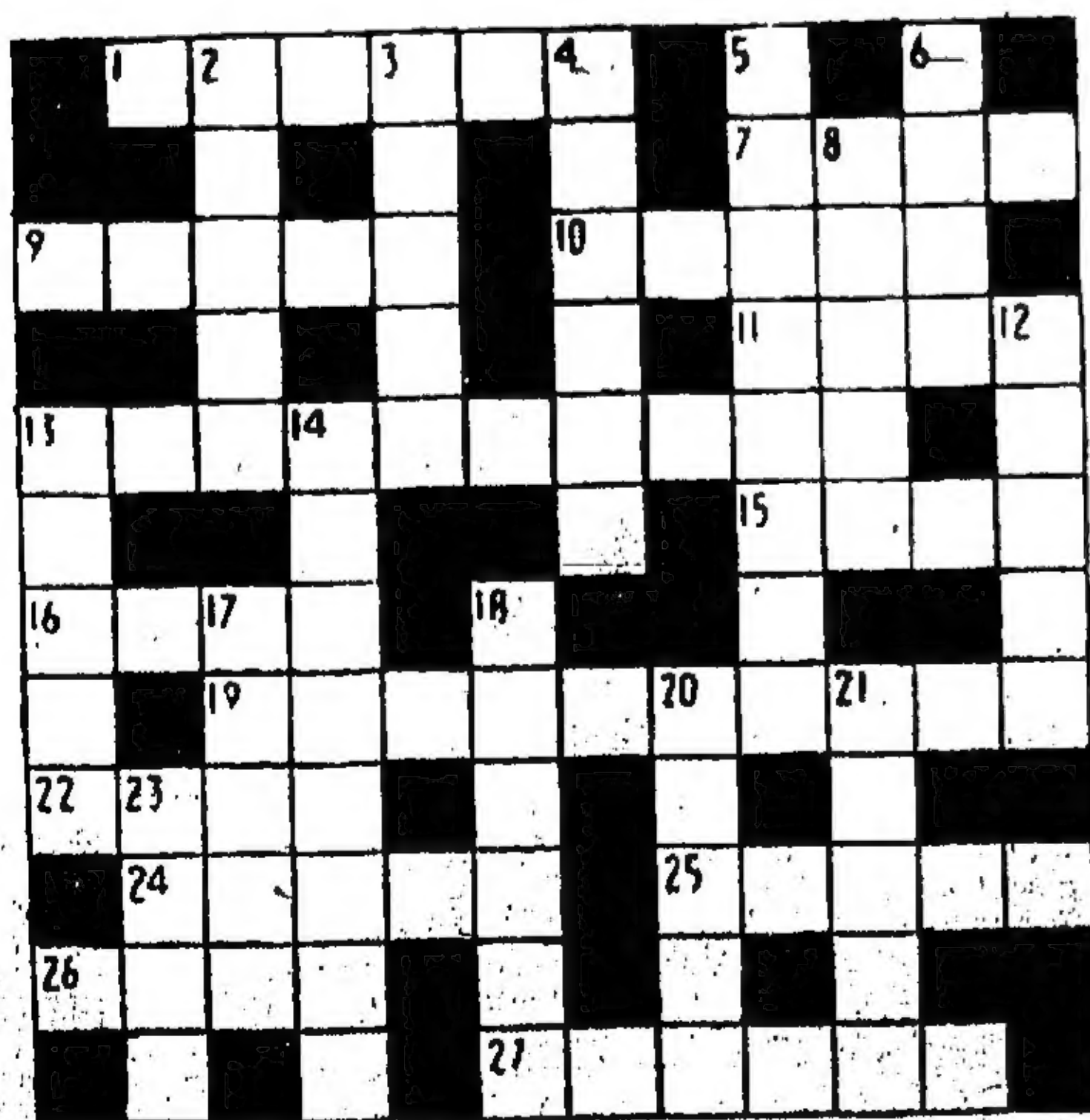
A Swedish newspaper was quoted as noting the absence so far of official United States reaction. Reuter.

The Vatican And Pakistan

Karachi, Oct. 8. Pakistan and the Vatican have agreed to exchange diplomatic missions, the Foreign Ministry announced today.

The announcement said that they would establish Legations with the object of "mainaining and further strengthening the friendly relations already existing between Pakistan and the Holy See."—Reuter.

A British Crossword Puzzle



ACROSS

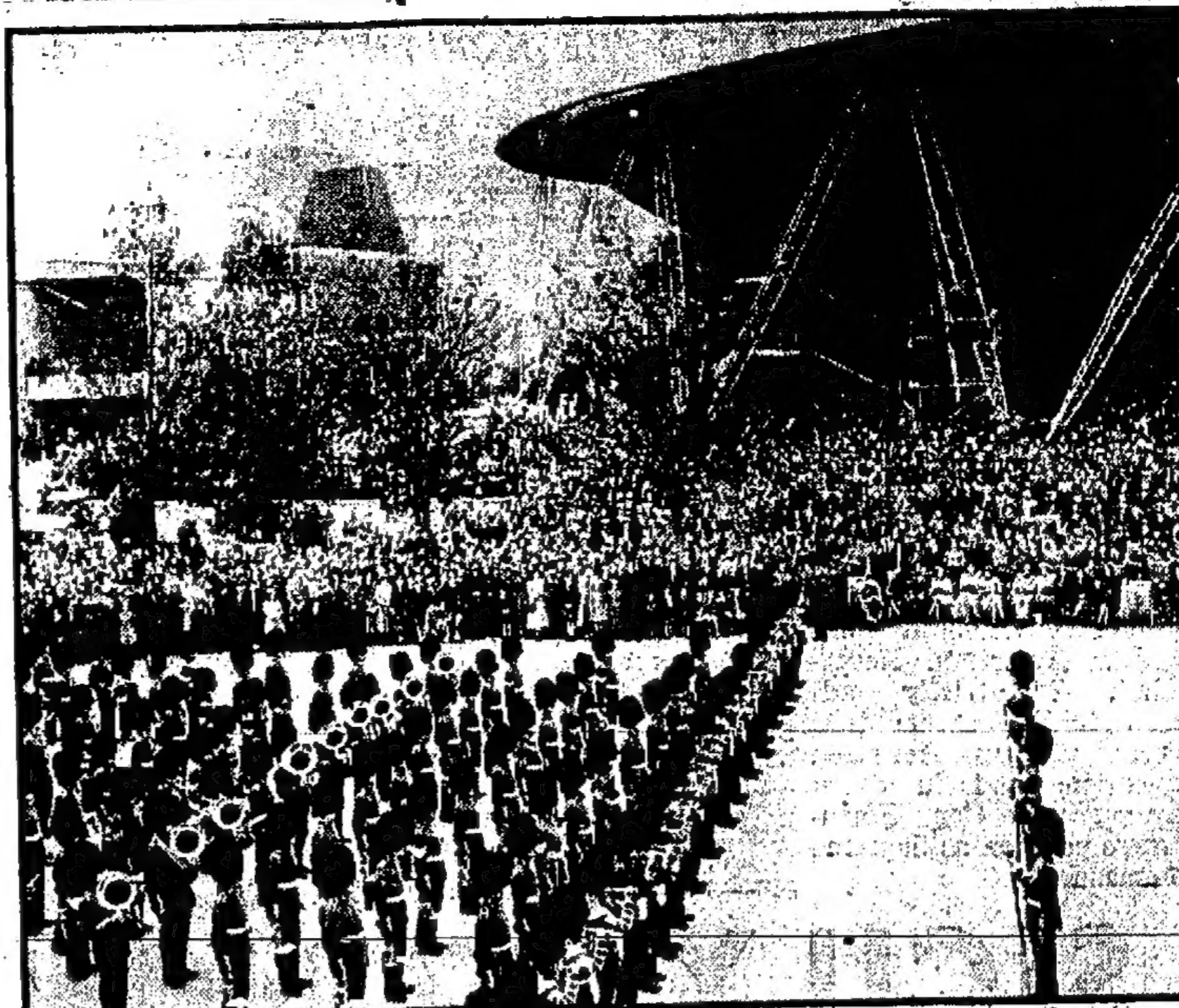
- 1 Minister (8)
- 2 End-piece (4)
- 3 Gallant (5)
- 4 Poet (5)
- 5 Grain (6)
- 6 Musical (10)
- 7 Tackle (4)
- 8 Plate (4)
- 9 Lacking veneration (10)
- 10 Learning (4)
- 11 Quietude (5)
- 12 Coalition (5)
- 13 Damsel (4)
- 14 Secure (6)

DOWN

- 1 Grant (5)
- 2 Something special (5)
- 3 Discount (6)
- 4 More robust (8)
- 5 Catalogue (4)
- 6 Saw (5)
- 7 Support (5)
- 8 Pattern (5)
- 9 Grow in numbers (8)
- 10 Ancestress (5)
- 11 Respectable (6)
- 12 Give out (5)
- 13 Proclamation (6)
- 14 Gem (4)

YESTERDAY'S CROSSWORD: Across: 1. Manoeuvre, 8. Deal, 9. Delicate, 12. Disputes, 13. Pelt, 15. Completed, 16. Delights, 17. Pyre, 21. Divorced, 22. Provided, 23. Lull, 27. Latitude. Down: 1. Shred, 2. Mass, 3. Abet, 4. Bids, 5. Unhappy, 6. Dunes, 7. Duped, 10. Lured, 11. Lenny, 14. Lull, 16. Taped, 17. Divided, 18. Puffed, 20. Scaled, 21. Voted, 22. Tired, 24. Duty.

Ringing Down The Curtain On Festival Of Britain



The Festival of Britain, on the South Bank of the Thames, officially closed on Sept. 30. Upper photo shows crowds watching the massed bands, drums and pipes of the Brigade of Guards beating the retreat on the fairway. Lower picture portrays the floodlit scene as men of the Royal Fusiliers lowered the Union Jack and the Festival flags.

New State Will Have 2 Capitals

Bengazi, Oct. 8. Independent Libya is going to have two capitals—Tripoli and Benghazi.

This was decided on Sunday by the Constituent Assembly laying the groundwork for the new United Nations-sponsored State which gets its independence next January 1.

There has been sharp debate for months over location of the capital.

King El Senussi, who is to be ruler of the new State, is from Cyrenaica. Its capital always has been Benghazi.

But the new United Libya will include Cyrenaica, Tripolitana and the Fezzan.

Tripoli, site of a big U.S. Air Force base, will be the largest city in all Libya, and there has been a strong movement to make it the capital.

Associated Press.

Japs Refused Hearing

Washington, Oct. 8. The United States Supreme Court on Monday refused a hearing to a group of about 4,000 persons of Japanese ancestry residing on the West Coast who seek official declarations that they are United States citizens.

All of the group were born in this country. While held in relocation centres during World War II, they signed renunciations of American citizenship.

The Japanese-Americans contended they did this under pressure from nationalistic elements in the relocation centres.—Associated Press.

Giant Cable Laid

Copenhagen, Oct. 8. A giant cable, which will conduct electricity from Sweden to Denmark, has been laid under the water, which divides the two countries. Made in Denmark, it is three miles long, the largest of its kind in the world.—Reuter.

ILL-FATED Plane 'Just Vanished'

Southampton, Oct. 7. A gang of rustlers have been trapping wild ponies in the 225-acre mile New Forest near here and selling them to blackmarket horse slaughterers.

So far the gang has eluded police patrols. Now squads of men, who live in hamlets in the Forest, go out every night armed with cudgels and shot-guns to protect the ponies.

But they have been unable to catch any members of the gang, who use lorries and vans to take away the ponies.

The slaughterers have several markets among cafe, restaurant and hotel owners in London and South of England towns.

There is a ready sale for carcasses of foals up to six months' old in the blackmarket.

The ponies are easy to catch. Many of them are so tame that they go up to cars and almost beg for food.—Reuter.

Manoeuvres In The Med.

Naples, Oct. 8. Forty-four units of the United States 6th Fleet in the Mediterranean dropped anchor here today.

Six Dutch warships commanded by Commodore Burghard will join the American ships in submarine and anti-submarine warfare and convoy escort operations in the Central Mediterranean this week.

The Dutch ships include the light cruiser Tromp, three destroyer escorts and two submarines.—Reuter.

Taxi-Driver's Queer Hobby

Eastbourne, Oct. 8. Taxi-driver Reg Camm, of Eastbourne, collects spent matches.

With them he began making models of boats and cars. Then he made a scale model of the Queen Elizabeth, 2ft. 6in. long.

That took 12,000 matches and four months to make.

He fitted it with electric motors and now sells it on the lake at Frigate Park.

Then he made four legs to go with it. They took nearly a year. He has also made a model of Tower Bridge. It is 7ft. 6in. long and took 10,000 matches.

His latest work, just sitting in the driver's seat, is a model of the Queen Elizabeth. It is 2ft. 6in. long and took 12,000 matches.

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FOR reasons of policy we had hitherto yielded the command and direction of the campaign in Northwest Africa to the United States. At the beginning they were preponderant in numbers and influence. In the months that had passed since "Torch" began, the arrival of the victorious Eighth Army from the Desert and the building up in Tunisia of the British First Army had given us the proportion there of 11 British divisions to four American. Nevertheless I strictly adhered to the theme that "Torch" was an American expedition, and in every way supported Gen. Eisenhower's position as Supreme Commander.

No enemy outpost now remained south of Sicily. Intense air attack upon Sicily began on July 3 with the bombing of airfields both there and in Sardinia, which made many unusable. The enemy fighters were thrown on to the defensive, and their long-range bombers forced to withdraw their bases to the Italian mainland. Fear of the five train ferries operating across the Straits of Messina were sunk. By the time our convoys were approaching the island air superiority was firmly established, and Axis warships and aircraft made no serious effort to interfere with the seaborne assault.

By our cover plans, the enemy were kept in doubt until the last moment where our stroke would fall. Our naval movements and military preparations in Egypt suggested an expedition to Greece. Since the fall of Tunis, they had sent more planes to the Mediterranean, but the additional squadrons had gone, not to Sicily.

On the American front the air landings were also too widely dispersed, but the many small parties creating damage and confusion inland worried the Italian coastal divisions. The sea-borne landings, under continuous fighter protection, were everywhere highly successful. Syracuse and Pachino on the British front, Licata and Gela on the American, were captured. The Eighth Army took Augusta on the 12th.

The major effort of the Eighth Army was now directed against the airfields at Catania and Gerbini. Aided by more airborne and seaborne landings of parachute and Commando troops, which captured vital bridges, the Army crossed the river Simeto. But now German troops from farther west reinforced the Italians and progress beyond the river was stopped. On the 16th the left flank of the Eighth Army reached Calligaris, in close touch with the Americans, who were also pressing westwards along the coast and had taken Porto Empedocle.

SICILY CONQUERED BY ALLIED ARMIES

By Winston S. Churchill

It was, however, understood in practice that Gen. Alexander as Eisenhower's Deputy had the full operational command. It was in these circumstances that the victory of Tunis was gained, and the general picture presented to the American public and to the world as an overriding United States enterprise.

But now we had entered upon a new stage—the invasion of Sicily, and what should follow from it. The proportions of the armies available in July, 1943, were: British, eight divisions; United States, six. Air, the United States 55 percent; British, 45. Naval, 88 percent British. Besides all this there remained the considerable British armies in the Middle East and in the Eastern Mediterranean including Libya, which were independently commanded by Gen. Maund Wilson, from the British headquarters at Cairo.

It did not seem too much in these circumstances that we should have at least an equal share of the High Command. And this was willingly conceded by our loyal comrades. We were, moreover, given the direct conduct of the fighting. Alexander was to command the Fifteenth Army Group, consisting of the Seventh United States and the Eighth British Armies. Air Marshal Tedder commanded the Allied Air Force, and Adm. Cunningham the Allied naval forces. The whole was under the overall command of Gen. Eisenhower.

The British assault was entrusted to Gen. Montgomery and his Eighth Army, while Gen. Patton was nominated to command the United States Seventh Army. The naval collaborators were Adm. Ramsay, who had planned the British landings in "Torch," and Adm. Hewitt, U.S.N., who with Gen. Patton had carried out the Casablanca landing. In the air, the chief commanders under Air Chief Marshal Tedder were Gen. Spaatz, U.S. Army Air Force, and Air Marshal Cunningham, while the air operations in conjunction with the Eighth Army were in the hands of Air Vice-Marshal Broadhurst, who had recently added to the fame of the Western Desert Air Force.

No casualties in Pantelleria

IN the channel between Tunisia and Sicily lay the small island of Pantelleria, which served as an enemy base for aircraft and E-boats. In January, 1941, we had planned to assault and capture it, but the opportunity passed and it remained a thorn in our side throughout the hardest period of the siege of Malta. Now it became necessary not only to subdue it, but to use it ourselves for our fighter aircraft.

Attacks by air and sea began immediately after the fall of Tunis. Bombardment continued until June 8, when unconditional surrender was demanded. This being refused, a landing from the sea was carried out on June 11, supported by heavy naval and air bombardment.

Much had been made beforehand of the magnitude and peril of this enterprise. It was entirely successful, with no casualties except according to sailors' stories, one sailor killed by a mine. Over 11,000 prisoners fell into our hands. During the next two days, the neighbouring islands of Comodoro and Ustica also capitulated. The German pilot of an aircraft, which had been compelled to land by lack of

fuel, at the Eastern Mediterranean.

July 10 was the appointed day. On the morning of July 9 the great armadas from east and west were converging south of Malta, and it was time for all to attempt to find a beachhead of Sicily. On my way to Chequers, where I was to await the result, I spent an hour in the Admiralty War Room. The map covered an entire wall and showed the enormous convoys, escorts and supporting detachments moving towards their assault beaches. This was the greatest amphibious operation so far attempted in history. But all depended on the weather.

Too late for postponement

THE morning of the 9th was fine, but by noon a fresh and unseasonable northwest wind sprang up. During the afternoon the wind increased, and by evening there was a heavy swell, which made landings hazardous, particularly on the western beach, in the American sector. The landing-craft convoys plunging northward from Malta and from many African ports between Bizerta and Benghazi were having a rough voyage.

Arrangements had been made for postponing the landing in case of necessity, but a decision would have to be taken not later than noon. Watching anxiously from the Admiralty the First Sea Lord inquired by signal about the weather conditions. Adm. Cunningham replied at 8 p.m. "Weather not favourable, but operation proceeding."

"It was," he says, "manifestly too late for postponement, but considerable anxiety was felt, particularly for the small-craft convoys making up against the sea." They were indeed much delayed and became scattered. Many ships arrived late but fortunately no great harm resulted. "The wind," says Cunningham, "mercifully eased during the night, and by the morning of the 10th had ceased, leaving only a tide-swell and surf on the western beaches." The bad weather helped to give us surprise. Adm. Cunningham continues:

The very efficient cover plan and the deceptive routing of convoys played their part. In addition the vigilance of the enemy was undoubtedly relaxed owing to the unfavourable phase of the moon. Finally came this wind, dangerously close at the time to making some, if not all, the landings impracticable. There, apparently unfavourable factors had actually the effect of making the weary Italians, who had been alert for many nights, turn thoughtfully in their beds, saying, "Tonight at any rate they can't come. But they came."

Hard fortune for airborne

THE airborne forces met hard fortune. More than one-third of the gliders carrying our 1st Air Landing Brigade were released too early by the Americans towing aircraft, and many of the men they carried were drowned. The rest were scattered over south-eastern Sicily, and only 12 gliders landed in the important bridgehead of the American sector. Out of eight gliders and 33 men, who sailed from Sicily, only one glider and 12 men were rescued. The rest were killed or captured. The 1st Air Landing Brigade, which had been sent to Sicily, was now reduced to a handful of survivors.

Two live airfields were now in our hands, and by July 18 there were only 25 serviceable German aircraft in the island. Eleven hundred planes, more than half of them German, were left behind destroyed or damaged. Our air forces tried hard to stop the passage of troops from the mainland to Messina. They were only partly successful against the heavy anti-aircraft fire.

On July 16 Gen. Alexander ordered the Eighth Army to attack the western side of Mount Etna, and the Seventh Army to seize the roads around Etna and the west-coast highway to Palermo. The 50th Division could make little progress, and the Germans had brought reinforcements, including six battalions of the redoubtable 1st Parachute Division from the mainland. On its left we made some ground, but it was clear that a new plan and more troops were needed. There was a lull on the British front till the 78th Division arrived from Tunisia.

Next move still in suspense

OUR next strategic move was still in suspense. Should we cross the Straits of Messina and seize the toe of Italy, should we seize the heel at Taranto, or should we land higher up the West coast, in the Gulf of Salerno, and capture Naples? Or again must we restrict ourselves to the occupation of Sardinia? In June Gen. Eisenhower had been asked for his opinion. The problem was a difficult one.

At the Washington Conference in May ("Trident") we had decided to transfer to India about August much of the assault shipping and certain air forces then engaged in the Sicily attack. He had also been warned that after Nov. 1 four American and three British divisions would have to be withdrawn to Britain for the cross-Channel invasion of 1944. On June 30 he proposed that when the capture of Sicily had been completed we should attack either the toe of Italy, or Sardinia.

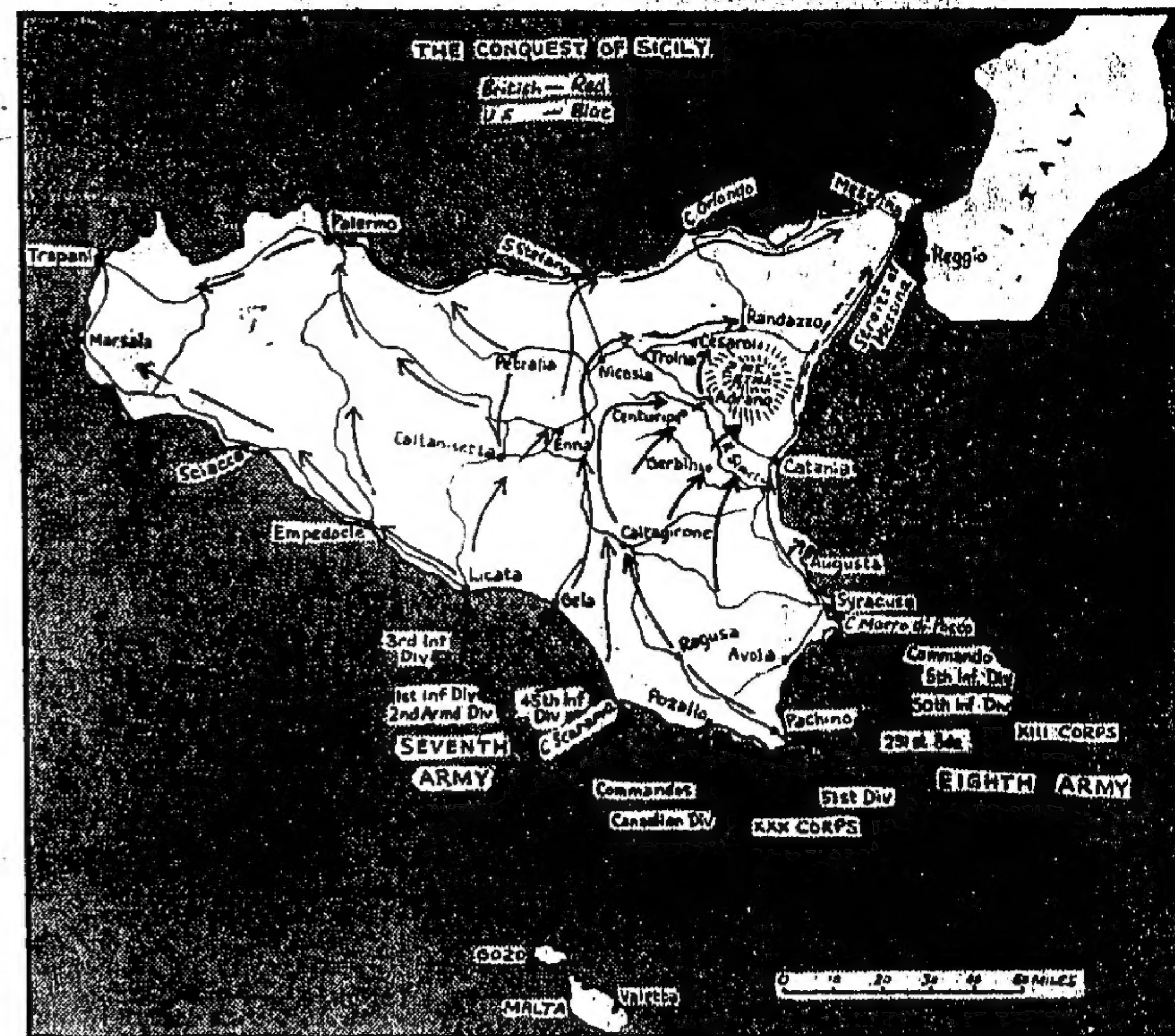
If Sardinia were chosen he could probably be ready by October, but he did not expect to be able to invade the mainland of Italy before November, and by then the weather might be too bad for amphibious landings. To justify so late a descent upon Italy there had to be a good prospect of a speedy advance.

Three German divisions

THE progress made in Sicily had clarified the scene. Meanwhile Allied Air Forces were harrying the enemy communications and airfields in Southern Italy, and the port of Naples. On July 19 a strong force of American bombers attacked the railway yards and airport at Rome. Havoc was wrought, and the shock was severe.

In Sicily itself the Americans were advancing steadily. Under the spirited leadership of Gen. Patton, Palermo was taken on July 22, and by the end of the month the Americans had reached the Straits of Messina. Their 2nd Division, which had been brought in to support the coastal advance, was now in position to cross the Straits. The 78th, 8th and 45th Divisions were also in position to cross the Straits.

The field was thus disposed for the final battle. These were the divisions which were to cross the Straits, and the 78th, 8th and 45th Divisions were also in position to cross the Straits.



Conflict thus arose. The American Chiefs of Staff did not believe that the conquest of Italy would threaten Germany, and they may have also feared that the Germans would withdraw and that we should find ourselves hitting the air. They did not think there was much to be gained by bombing Southern Germany from airfields in Southern Italy, and they wanted all efforts against Germany to be concentrated on the shortest route across the English Channel, although nothing could happen there for 10 months.

The British Chiefs of Staff pointed out that the Washington Conference had expressly stated that the elimination of Italy from the war was one of the prime Allied objects. The attack on Naples, now given the code-name of "Avalanche," was the best means of accomplishing this, and the collapse of Italy would increase enormously the chances of the cross-Channel invasion being not only successful but decisive.

Porter, Chief of the Air Staff, emphasised that the full-scale attack on German industry, particularly on factories producing fighters, could only be effective with the help of the Italian airfields. Their possession would therefore be a great contribution to a successful invasion of France. The Americans remained unmoved.

However, most of the forces to be employed in "Avalanche" were British, and we resolved to do everything in our power to ensure its success. To cover the scheme was completely transformed by the fall of Mussolini on July 25. The argument for invading Italy seemed overwhelming. As will be seen, the Germans reacted very quickly, and our invasion, and particularly the attack on Naples, was not greatly eased. "Avalanche" only just succeeded, and it was fortunate that we had provided additional British sea and air power.

The fall of Mussolini

WHILE these somewhat sharp discussions were in progress the scene was completely transformed by the fall of Mussolini on July 25. The argument for invading Italy seemed overwhelming. As will be seen, the Germans reacted very quickly, and our invasion, and particularly the attack on Naples, was not greatly eased. "Avalanche" only just succeeded, and it was fortunate that we had provided additional British sea and air power.

The risks would have been further reduced if the extra shipping which we considered essential to accelerate the build-up after landing there had been secured. In this we could not carry American opinion with us, and before the operation began many American ships were withdrawn and some of the British assault shipping was also released to India.

We must now return to the Sicilian battlefield. The brilliant capture of Centuripe by our newly arrived 78th Division marked the last phase. Catania fell on Aug. 5, and thereafter the whole British line swung forward to the southern and western slopes of Mount Etna. The U.S. 1st Division took Troina on Aug. 6 after a stiff fight, and their 9th Division, passing through the 1st, entered Cassaro on the 8th.

Along the north coast the U.S. 45th Division, followed by their 3rd Division, reached Cape Orlando on Aug. 10, with the aid of two small but skilful outflanking amphibious operations. After the capture of Randazzo on the 13th the enemy broke contact all along the front, and under cover of their strong anti-aircraft defences of the Messina Straits, escaped during the following nights to the mainland.

The race for Messina

OUR armies raced for Messina. Enemy demolitions on the coastal road from Catania slowed up the Eighth Army, and by a narrow margin the prize fell to the Americans, who entered it on Aug. 16.

Gen. Alexander to Prime Minister

17 Aug. 43. The following facts are of interest. Sicily invaded July 10, Messina entered Aug. 16. Island taken in 38 days. Sicily has coastline 300 miles and area 10,000 square miles. Island is heavily fortified with concrete pill-boxes and wire. Axis garrison: Italian, nine divisions. German, four divisions, equalling 13 divisions; total forces: Italian 315,000, German 90,000, making total 405,000 soldiers. Our forces: Seventh Army, six divisions, including airborne divisions; Eighth Army, seven divisions, including airborne and armoured brigades, making Allied total 13 divisions. It can be assumed that all Italian forces in island on July 10 have been destroyed, though a few battered units may have escaped to mainland.

And later: Gen. Alexander to Prime Minister

17 Aug. 43. By 10 a.m. this morning, Aug. 17, 1943, the last German soldier was flung out of Sicily and the whole island is now in our hands.

World Copyright Reserved. Reproduction, even partially, in any language, strictly prohibited. (MORE TOMORROW)

Less Drinking In Britain, But More People Get Drunk

(By A Special Correspondent)

THOUGH less liquor is being consumed in Britain than for many years, cases of drunkenness have markedly increased. This is particularly so in the Midlands and North of England, where increases of up to 800 percent have been recorded in police reports.

Magistrates, police chiefs and social workers have come to the conclusion that lack of sustaining food is the main cause. Britons just can't take it!

A medical authority told me that he was largely in agreement with those who blamed Britain's unbalanced diet for the increase in drunkenness. "Our diet is woefully short of protein," he said. "Protein builds up resistance to infection, keeps body tissues supple, and gives energy. Without these, the body is weak and prone to disease. It's a vicious circle."

It is not enough for a day. And then he made another point: "This country has been living on its nerves for the last couple of years," he said. "Much of the population is drugging itself with phenobarbitone and such things to keep going. It takes very little beer to make people drunk under such conditions."

When figures have been booked down to show the incidence of drunkenness, a peculiar fact emerges:

Highest numbers were recorded during last year's rainless spells, when the workers would otherwise have been enjoying themselves in the open. Magistrates, police, and social workers are alarmed that such a phenomenal increase in drunkenness should be recorded at a time when the licensed trade is complaining of dwindling returns. Magistrates say that evening drinkers are more sober than ever before, and that the only people who get in a worse

Here is an extract from the report of Chief Constable W. E. Schofield, of Oldham, Lancashire, where last year's 150 drunkenness cases were 50 more than in 1940, and double those of 1941. "An increase was first noticed in May, when the gravity of beer was changed, and it may be that some are detrimentally affected by the stronger brew. Less inebriation was being consumed, however. This condition may be due to lack of bodily resistance."

It would not be to our credit if a similar trend were again noticed. For those who are unable to adjust their drinking habits to avoid drunkenness, the higher figures are a challenge to legislation, magistrates, police and social workers. In the South of England, drunkenness has been on the increase for some time. Police officials say this is due to the fact that the South is a more densely populated area, and that the weather is more favourable for drinking. In the North, however, the increase in drunkenness is more marked, and is attributed to the fact that the North is a more industrial area, and that the weather is more favourable for drinking.



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	Osaka & Kobe		
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"HANYANG"	Tientsin	10 a.m. 20th Oct.	
"SHENGKING"	Keelung	5 p.m. 20th Oct.	
"FUKIEN"	Djakarta & Sourabaya	5 p.m. 24th Oct.	
"SZECHUEN"	Bangkok	5 p.m. 25th Oct.	
"ANSHUN"	Singapore & Penang	5 p.m. 28th Oct.	

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G. "CYCLOPS"	Liverpool	Hong Kong
G. "PELEUS"	do	11th Oct.
G. "AUTOLYCUS"	do	15th Oct.
G. "ANTILLOCHUS"	do	15th Oct.
G. "ANCHISES"	do	28th Oct.
G. "ANTYANAX"	do	5th Nov.
G. "PATROCLUS"	13th Oct.	17th Oct.
G. "ASCANIUS"	21st Oct.	29th Nov.
G. "ATREUS"	28th Oct.	2nd Dec.

G. Loading Glasgow before Liverpool.
S. Loading Swansea before Liverpool.

Carriers option to proceed via other ports to load & discharge cargo.

DE LA RAMA LINES

ARRIVING via MANILA FROM
U.S. ATLANTIC & PACIFIC COAST PORTS

"AJAX"	13th Oct.
"DONA NATI"	23rd Oct.

SAILING for NEW YORK, BALTIMORE and
PHILADELPHIA, via SAN FRANCISCO, LOS
ANGELES, PANAMA and KINGSTON.

"MENESTHEUS"	14th Oct.
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Cathay Pacific Airways Ltd.

Route	Departs Hongkong	Arrives H.K.
HK/Bangkok/Singapore (DC-4)	8.00 a.m. Tues. Fri. 8.30 a.m. Wed. Sat.	(see return)
HK/Hanoi (DC-4)	7.00 a.m. Tues. 6.00 p.m. Thurs	
HK/Saigon/Singapore (DC-4)	1.00 p.m. Wed. 4.45 p.m. Thurs	
HK/Manila/B.N. Borneo (DC-3)	6.30 a.m. Wed. 4.45 p.m. Thurs	
HK/Haliphong (DC-3)	7.00 a.m. Fri. 4.30 p.m. Fri.	

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For passage and Freight Particulars please apply to1 CONNAUGHT RD. C. Tel. 30331 8
BRANCH OFFICE: 50 Connaught Rd. West. 25875, 32144, 24878.

ARRIVALS

SHIPS	FROM	DUE
"BENALBANACH"	U.K. via Singapore	on or abt. 28th Oct.
"BENORUACHAN"	U.K. via B.N.B.	5th Nov.
"BENDORAN"	U.K. via Singapore	8th Nov.
"BENCLEUCH"	do	7th Nov.
"BENWYVIS"	do	9th Nov.

SAILINGS

SHIPS	TO	DATE
"BENAVON"	Liverpool, Dublin, Hamburg & Antwerp.	24th Oct.
"BENALBANACH"	London & Antwerp.	31st Oct.
"BENORUACHAN"	Liverpool, Glasgow & Hamburg.	10th Nov.
"BENDORAN"	Liverpool, Avonmouth & Hull.	12th Nov.
"BENEDI"	Liverpool, Dublin, Hamburg & Antwerp.	18th Nov.
"BENCLEUCH"	Kobe & Yokohama.	23rd Nov.
"BENWYVIS"	Hayle, London & Rotterdam.	28th Nov.

Via Singapore, Port Swettenham, Port Sudan & Port Said.

* Calls Manila, Tawau & Sandakan.

† Calls Cebu, Tawau & Sandakan.

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CHINA MAIL

HONGKONG

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of cargo exported from Hong-
kong and South China, compiled by
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"S. C. M. Post."CHIVALRY ANTIQUE SCRIPT. An
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fifty envelopes or eighty single
sheets and forty envelopes. \$6 per
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Forms, Penney Agreement Forms
on sale at "S. C. M. Post."REMOVAL PERMIT Forms for
Duty-Free Goods, 10 cents each at
"S. C. M. Post."THE COMPANIES ORDINANCE
1932 Annual Return Forms on
sale at "S. C. M. Post."COLUMBIA Copperplate Pencils
HB and B \$32 per gross, \$3 per
dozen, \$0.30 each on sale at "S. C. M. Post."Talks On
Payments
Balances

Geneva, Oct. 8.

The 31-nation conference on
the General Agreement on
Tariffs and Trade (GATT)
has begun discussions on trade
restrictions and the balance of
payments position.Mr. J. Melander, of Norway,
who is the conference chair-
man, said the discussions had
shown so far that member
countries were very concerned
with the maintenance of
quantitative restrictions for
balance of payments reasons
and regarded such restrictions
as a method of carrying out an
economic policy.He declared that import
restrictions were bound to re-
main in force for some time.Mr. Willard Thorpe, the
United States delegate, said
that the dollar shortage prob-
lem which confronted many
countries today, although more
complex, was acute and more
diffused. He thought that in
spite of the existing un-
certainties, discrimination could
be substantially removed and
significant progress made to-
ward convertibility.—Reuter.Clothing Prices
Reduced

New York, Oct. 8.

Howard Clothes, one of
America's large makers and
retailers of men's clothing, have
announced price reductions for
its entire line.All-worsted and woolen suits
and all-woolen and worsted
overcoats, which formerly sold
for \$47.95 in 50 retail stores,
were marked down to \$39.95.
Similar reductions were made
for a wide variety of clothing.The company said it decided
to cut prices now despite the
fact that lower wool prices will
apply to next season's manu-
facture.—Associated Press.WORLD CAN DO
WITHOUT PERSIA
OIL SUPPLIES

—Says Mr Stokes

Washington, Oct. 9.

Mr Richard Stokes, British Lord Privy Seal,
who conducted the oil negotiations in Teheran in
the Summer, declared in an interview published
here today that the world could manage without
Persian oil.But it was absurd that the Abadan refinery
should be wantonly thrown away, he said.He made the statements in an interview in London with
the United States News and
World Report, a weekly news
magazine published in Wash-
ington.Asked what Britain would
do if her appeal to the United
Nations Security Council did
not succeed, he replied, "We
must wait and see."He defended the record of
the Anglo-Iranian Oil Com-
pany which, he said, had
"very definitely" contributed
to Persia's welfare and he
dismissed allegations that
Britain was responsible for
corruption and bribery in
Iran.Mr Stokes said that Britain
had never questioned Persia's
right to nationalise the oil
industry but she objected to the
break of a contract which had
its basis in international law.Britain had always been pre-
pared to negotiate a new agree-
ment between the Oil Company
and Persia.
"What the Iranians have done
is not nationalisation but ex-
propriation," he said.

QUITE WRONG

Asked if he expected oil re-
fineries in Persia to become less
important as other countries
developed their own refineries,
Mr Stokes replied, "It is diffi-
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point out that world consump-
tion of oil products has shown a
staggering increase since theTrains Of
Tomorrow

London, Oct. 8.

Special "family" coaches may
be provided on Britain's trains of
the future.The coaches would make travelling
easier for people with
children.This is one of the suggestions
made by Mr F. C. C. Curtis,
Railway Executive architect.In a report on coach design,
published by the British Trans-
port Commission, he forecasts
improvements."These," Mr Curtis says, "may
be for the large family travelling
with children, parties large and
small, for people who seek com-
pany, and those who do not."He adds:
"Observation cars, smoking
lounges, perhaps even cinema
coaches might be introduced."
—London Express Service.

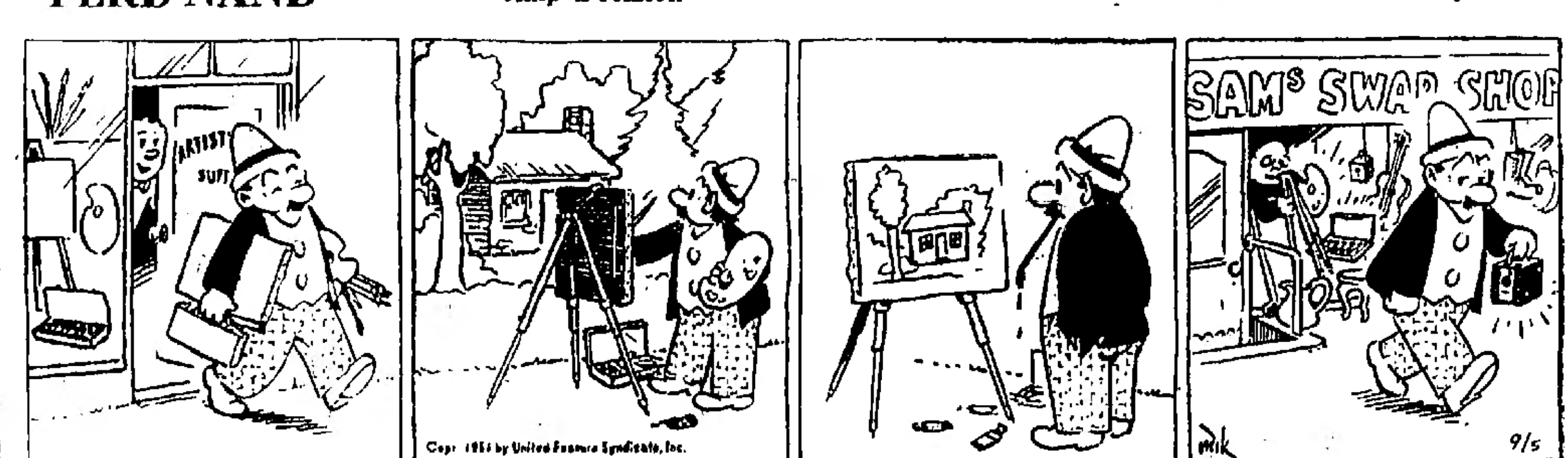
MANDRAKE THE MAGICIAN

By Lee Falk and Phil Davis



FERD'NAND

Snap Decision



NANCY

Neigh, Neigh!



JOHNNY HAZARD

By Frank Robbins

P&O B.I. E&A
COMPANIES

PENINSULAR & ORIENTAL S.N. CO.

PASSENGER/FREIGHT SERVICE

Outwards	Leaves London	Arrives Hongkong
"CANTON"	20th September	22nd October
"CARTHAGE"	18th October	19th November
"CHUSAN"	2nd November	30th November

Via Southampton, Port Said, Aden, Bombay, Colombo, Penang & Singapore.

Homewards

Leaves Hongkong	Due London
"CANTON"	26th October
"CARTHAGE"	22nd November
"CHUSAN"	4th December

Accepting cargo for Singapore, Penang, Colombo, Bombay, Aden, Port Said & London.

FREIGHT SERVICE

Outwards	Due Hongkong	From
"SURAT"	18th October	London & Continent
"MAIDENHEAD"	17th October	—

Homewards

Leaves Hongkong	For
"SHILLONG"	12th October

Accepting cargo for Singapore, Port Swettenham, Penang, Colombo, Aden, Port Said, Genoa, Marseilles, London, Hamburg, Antwerp & Rotterdam, with liberty to call at Bombay if inducement offers.

Tanks available for carriage of oil in Bulk. Space for refrigerated cargo. Limited passenger accommodation.

BRITISH INDIA S.N. CO. LTD.

"SANTHA"	due 20th Oct.	from Calcutta, Ran- goon & Straits
"SIRDHANA"	due 22nd Oct.	from Japan
	sails 24th Oct.	from Japan

(These vessels have refrigerated cargo space)

P. & O. B. I. JOINT SERVICE

"OHLA"	due 9th Oct.	from Japan
	sails 11th Oct.	from Singapore, Madras, Colombo, Bombay, Karachi, & P. Gulf
"PENTAKOTA"	due 14th Oct.	from Karachi, Bombay, Colombo, Singapore & Saigon
	sails 17th Oct.	for Japan

EASTERN & AUSTRALIAN S.S. CO. LTD.

"NELLORE"	due 16th Oct.	from Sydney
	sails 2nd Nov.	for Port Moresby, Brisbane, Sydney & Melbourne
"EASTERN"	due 2nd Nov.	from Sydney

All vessels have liberty to call at any ports on
or off the route & the route & sailing are subject
to change or amendment with or without notice.

For full particulars apply to:-

MACKINNON, MACKENZIE & CO.

Telephone Nos. 27721-4.

Post-War
Britons
Smoke LessAmsterdam, Oct. 7.
Britain is one of the few
countries to show a drop in
tobacco consumption since the
war, Mr E. Mortensen, of the
Food and Agricultural Organiza-
tion, told the World Tobacco
Congress here.He said that high taxes and
retail prices were the probable
cause of Britain's 20 per cent
decrease in the 1946-1949
period. Consumption is still
above pre-war level.American exports of tobacco
to Britain — about three quar-
ters of the total in the 1930's —
were now topped by Common-
wealth exports, Mr Mortensen
added. He said this was partly
due to the expansion of suc-
cured tobacco in South Africa.Britain and the U.S.A. were
the chief exporters of cigarettes.
In 1939 Britain exported 20 per
cent of her total production
against 15 per cent before the
war.Americans smoke twice as
much as most other peoples.
They smoked 4,150 grammes
per head of population in 1939
compared with Britain's 1,990
grammes per head.—London
Express Service.US Consumption
Of WoolWashington, Oct. 8.
July consumption of raw wool
on the woollen and worsted
systems averaged 6.5 million
pounds per week, the Census
Bureau in 11 years, the Census
Bureau reported.Carpet wool consumption
dropped to 600,000 pounds per
week and apparel wool to 6.1
million pounds.July consumption was 16 per
cent below July 1940, the report said.
—Associated Press.

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Cable Address: "RODOHOUSE"

The only House that offers ex-
cellent and comfortable accom-
modation at moderate charges.High class cuisine where meals
cost \$4.00 per day.Car provided for convenient
travel.Register now, to avoid dis-
appointment.Remember our slogan, "A little
spend, a lot gained."Y. H. Chan,
Manager.

MESSAGERIES MARITIMES



Arriving	Leaving	Outward For
"LA MARSEILLAISE" Oct. 20	Oct. 21	Yokohama & Kobe
"LES GLIERES" Nov. 8	Nov. 15	

			Homeward For
4"OYONNAX"	Oct. 24	Oct. 25	N. Africa & Europe
6"LA MARSEILLAISE"	Nov. 2	Nov. 3	Manila, Saigon & Marseilles
4"MONKAY"	Nov. 21	Nov. 25	N. Africa & Europe

* passengers & freight
† freight for Saigon, Port Said, Tunis, Algiers, Oran, Tangier, Casablanca, Havre, Dunkirk, Antwerp & Rotterdam.

Subject To Change Without Notice

CIE DES MESSAGERIES MARITIMES

P.O. Box 53, Hongkong
Queen's Building (gr. floor) Tel. 26651 (3 lines).

M.V. "LA MARSEILLAISE"

12 days roundtrip

to

MANILA and JAPAN

Sailing from Hongkong — Sunday 21st October, 10 P.M.

Back in Hongkong — Friday 2nd November, 5 P.M.

CIE DES MESSAGERIES MARITIMES

Queen's Bldg. Tel. 26651 (3 Lines).

Britain Calls Empire Talks On Dollar Crisis

London, Oct. 8.

Britain has invited all Commonwealth countries to London on November 19 to prepare for a Commonwealth Finance Ministers' conference on the Sterling Area's critical financial situation, an authoritative source said here today.

The Parliamentary talks are expected to last for about a week.

EXCHANGES IN NY

New York, Oct. 8.

Canada (dollar) 118.90-91.10

England—official 2.79-15/16

unofficial 2.82 bid

30-day futures 2.84 asked

90-day futures 2.77 1/2

Australia (pound) 2.22

New Zealand (pound) 2.79 1/2

South Africa (pound) 2.80 1/2

Belgium (franc) 0.099 1/2

Denmark (krone) 1.455

France (franc) 0.028-9/16

West German Deutsche mark 4.20

Holland (guilder) 2.230

Italy (lira) 110.00

Norway (krone) 1.400

Portugal (escudo) 0.040

Spain (peseta) 0.032

Sweden (krone) 0.032

Switzerland—free 2.220

MIDDLE EAST

Egypt (pound) 2.88 1/2

Iran (rial) 0.0325

Iraq (dinar) 2.88

Turkey (lira) 3.575

LATIN AMERICA

Argentina (peso) 0.0710

Brazil (cruzado) 0.050

Bolivia (boliviano) 0.0150

Chile (peso) 0.020

Colombia (peso) 0.0150

Cuba (peso) 0.0150

Mexico (peso) 0.020

Peru (sol) 0.020

Uruguay (peso) 0.020

Venezuela (bolivar) 0.020

FAR EAST

India (rupee) 0.030

Pakistan (rupee) 0.030

Hongkong (dollar) 0.030

Indonesia (rupiah) 0.030

Singapore (dollar) 0.030

Japan (yen) 300 yen to US\$1

United Press

NY Cotton Futures

New York, Oct. 8.

Prices of cotton futures closed today as follows:

October 37.00

December 37.00

March (1952) 37.00-37.11

July 36.85

October 36.85

March (1952) 36.85 nominal

NEW ORLEANS MARKET

Spot 37.00

October 37.00

December 37.00

March (1952) 37.00

United Press

Malaya Rubber Exports

Singapore, Oct. 8.

Of September's total rubber exports, amounting to 81,010 tons, only 1.4 per cent or 1,130 tons went to the Iron Curtain countries. Austria got 250 tons. The United States, usually the biggest buyer, took 11,208 tons, ranking behind the United Kingdom with 28,124 tons. — United Press.

HONGKONG SHARE MARKET

(Our Own Correspondent)

Business done on the Stock Exchange this morning was valued at \$986,707.50. Noon quotations and the morning's transactions:

SHARES BUYERS SELLERS SALES

BANKS HK Bank 1520 10 1500

INSURANCES

Carson 220 238

Union 430 470 300 450

Underwater 180 180 150 180

HK Fire 140

SHIPPING

Asia 110 8000 110

DOCKERS ETC

K. Wah 101 103 200 101

N. P. Wah 101 103 200 101

Black 101 103 200 101

Wholesale 140 10 250 140

Wholesale 20 30 100 20

LAND ETC

HK Hotel 30 820 1500 30

HK Land 30 820 1500 30

Shan Land 100 100 200 100

Utilities 110 2000 110

TIPTONES

Tipton 100 100 200 100

P. Trans 100 100 200 100

Star Ferry 100 100 200 100

C. Light 100 100 200 100

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Effect Of Persian Developments On Oil Companies' Prospects

By NORMAN CRUMP

The grave news from Persia makes it clear that both the Persian oil fields and the Abadan refinery will for an indefinite period cease to make any contribution to the world's oil supplies.

The deficit can largely be made good, although there may be temporary shortages of aviation spirit and fuel oil. In particular, we in England will have by the end of this year a refinery capacity of 20 million tons, against Abadan's 25 million tons.

Broadly speaking, the disappearance of Persian oil should bring new business to companies operating elsewhere, and so in the long run they should not suffer.

In the short run, however, some of them will be affected by the disturbance, which may involve them in extra non-recurrent expense.

There is no prospect of any decline in the world demand for oil. The Korean war and rearmament by the Western nations have made that clear. Against the normal economic progress of the world, which is now being checked by rearmament, would, when resumed, ensure an adequate demand for oil.

This should make the oil industry a sound investment. But no oilfield can stand still. Money must always be spent on exploration, drilling and development, and there will always be a certain proportion of disappointments. This means that the company must be conservative almost to a fault.

Nevertheless, many companies paid higher dividends in 1950 than they did in 1949. The market, however, has already reflected these higher distributions. Since the end of 1950 the average increase in the prices of the leading oil shares has been about 25 per cent. Yields today lie around four, five and six per cent.

NO QUICK PROFITS

My own feeling is that the investor needs a yield of at least six per cent to compensate him for the various risks attaching to oil production. Persia has shown that the political risk of an investment in a foreign country cannot be ignored, though apart from Burma I see no sign at present of similar trouble elsewhere. Then there are the risks of abortive exploration work and drilling, coupled with the inevitable exhaustion of the field at some future date.

This means that current prices and yields are not such as to offer anyone a quick profit. Some oil companies, however, are undoubtedly good long-term investments. Others are possibilities which should appeal to the more venturesome investor.

In the first group, the outstanding companies are in the Royal Dutch-Shell group. This group has included a large stake in Venezuela and a 23.75 per cent holding in Iraq Petroleum Company. Its total net assets last December were \$561 million, and their real value must be much more. Shell Transport and Trading, which should increase in value.

Nor are Anglo-Iranian shares over-valued at their current price. They may have lost their Persian interests for a time, but they retain their tanker fleet, world-wide marketing organization, and other assets outside Persia. They also have a 50 per cent interest in the Kuwait Oil Company, and Kuwait production for the first half of 1951 was 11,000,000 tons, against Persia's annual production of 32 million tons. Before long Kuwait may well be as productive as Persia.

Anglo-Iranian's earnings this year are sure to suffer from the Persian crisis; the long-term prospects are very different.

TRINIDAD COMPANIES

The Trinidad companies may appeal to the more venturesome. They are doing very well, and have a dollar market for their oil at their doors. But the Trinidad oil deposits are becoming a little tricky. Deep drilling is now necessary, and it is not easy to find oil. The companies are following a conservative reserve policy, and I have little doubt that they will continue to find oil. Markets offer many worse opportunities to the investor.

Lobito, the Peruvian company, is also doing well, and at today's prices the shares offer a good yield. Venezuela, however, is still today prospering from one end to the other. Even Ultramar's shares have improved, now that the company is earning money and paying off its loan. These shares are still speculative, for

the operating companies have much exploration work to do, and may meet with further disappointments. Still, if all goes well, the Finance Corporation for Industry's loan should be repaid by next September, and it will then be easier to judge Ultramar's earning capacity.

My final note is on Mexican Eagle. Here the shareholders are being gradually paid off. As the amount still to be repaid is comfortably in excess of the shares' present price (27s. 3d.), these shares have an obvious appeal to sur-tax payers.

MERGER OF BANKS IN AUSTRALIA

The Bank of Australasia and The Union Bank of Australia Limited, two of the leading banks in Australia and New Zealand, recently merged in Australia and New Zealand Bank Limited. The combined organisation began trading operations on October 1, 1951, after taking over the businesses and undertakings of the two merging banks.

Australia and New Zealand Bank Limited has an authorised capital of £17,000,000 English Currency of which £8,500,000 English Currency is paid up, and total assets exceeding £400,000,000 Australian Currency. The Head Office of the Bank is in London where there are two other branches. The main administration is located in the General Manager's Office in Melbourne, and there are over 700 branches and agencies throughout Australia and New Zealand, and also in Fiji.

Both the merging banks have long records of service, dating back well over a hundred years to the very early days of settlement in Australia and New Zealand. They have thus been closely allied with every phase of the development of the countries themselves, and the story of their steady growth parallels the economic history of Australia and New Zealand expansion.

Australia and New Zealand Bank Limited will therefore be particularly well equipped to serve the expanding needs of trade and industry in the two countries whose names it incorporates.

Japan Bonds Still Boom

London, Oct. 8. Japanese bonds gained from four to six points today continuing a boom which has more than doubled their value on the London Stock Exchange in nine months.

Domestic stocks were firm after a hesitant start. Oils continued the improvement. Gold shares showed hesitancy with investors awaiting developments from free gold markets following Canada's decision to permit sale of gold on the free market.

The Financial Times' daily index of London stocks was 138.2, up 0.4.

Japanese bonds

"A" (4s. of 1959) 74 1/2

"B" (4s. of 1910) 60

"C" (5s. of 1907) 118

"D" (5s. of 1934) 80

"E" (5 1/2s. of 1934) 128

Consols 85 1/2—Associated Press and United Press.

Wool Up Again

Sydney, Oct. 8.

Wool prices today advanced another 10 to 15 per cent. The Continent, Japan and the United Kingdom were all "bought" following general competition.

United Press

Peking's Trade Claims

San Francisco, Oct. 8. China's exports exceeded imports by 9.34 per cent, Peking Radio reported tonight.

Imports from the Soviet Union during the year were 18.4 per cent of China's total foreign imports, the Radio continued. By September this year they had increased to 44.7 per cent. At the same time, imports from People's democracies rose from 1.37 per cent last year to 25.3 per cent this year. On the other hand, imports from "capitalist countries" which were 78.79 per cent in 1950, had this year dwindled to 29.9 per cent.

The same trend applied to exports, the broadcast said. Last year exports to the Soviet Union were 28.58 per cent of the total volume, 3.87 per cent to the People's democracies, and 69.55 per cent to "capitalist countries." But since the beginning of 1951, China's exports to Russia had increased to 51.51 per cent of the total volume, to 28.43 per cent to the People's democracies, and down to 22 per cent to the "capitalist countries."

The broadcast added that because of the rapid expansion of trade with the Soviet Union and the People's democracies, China's export trade had, since the beginning of this year, risen by 120 per cent over that of 1950.

Trade agreements had been signed with the Soviet Union, Czechoslovakia, Hungary, Poland, Eastern Germany and Northern Korea, the Radio recalled.—Reuter.

Cotton Crop Estimate

Washington, Oct. 8. The U.S. Agriculture Department on Monday estimated this year's cotton crop at 10,931,000 bales of 500 pounds gross weight.

This is 360,000 bales less than the 17,291,000 bales forecast a month ago. It is sharply higher than last year's small crop of 10,012,000 bales and compares very favourably with the ten-year (1939-49) average of 12,000,000 bales.

The increase this year was recommended by the Government as a means of replenishing stocks which had dwindled to a low level under the preparedness programme.

Supplementing the crop are 2,200,000 bales from previous crops. The Department said the indicated yield of cotton to the acre was 284.7 pounds as compared with 268.2 pounds last year and 265.9 for the ten-year average.

Condition of the crop as of October 1 was reported at 74 per cent of normal compared with 66 a year ago and 73 for the ten-year average.—Associated Press.

Too Large For Postmen

Washington, Oct. 8. The House today will consider a bill cutting the size and weight limits of parcel post packages mailed between first class post offices. The motive behind the measure is to get the post office department out of the freight business.

Fourth class mail (parcel post) yields only a small part of the postal revenue, but is crowding out other operations of many post offices. The bill is aimed at cutting out some of the large hand-to-hand packages.—United Press.

London Silver Up

London, Oct. 8.

The price of silver increased by three pence per ounce today. Both spot and forward were quoted at 71d per fine ounce.—United Press.

